TO: Maryland Lottery and Gaming Control Commission Gordon Medenica, Director

FROM: Leo Mamorsky, Managing Director, Chief Marketing Officer
DIVISIONS: Product Development and Creative Services
DATE: August 14, 2019
SUBJECT: Report for the August 2019 Commission Meeting
Following is the status update of ongoing and special projects in Product Development and Creative Services.

1. Product Development

## a) Instant Ticket Products and Promotions

i. Key accomplishments last period:

1. June Instant Ticket Launch (6/24/19):
a. \$3-Skee-Ball®
b. \$5-Super Bonus Bucks
c. $\$ 10$ - Big Money Maker
d. $\$ 10$ - Bingo X10
2. July Instant Ticket Launch (7/22/19):
a. $\$ 1$ - Dollar \$ign\$
b. \$2-Ravens
c. $\$ 5-$ Hot $5 s$ Hot Streak
d. $\$ 10$ - Ravens
3. Game Closing Activity:

| Game | Price | Game Name | Total Sales | Prize Expense | Gross Margin | Final Claim Date |
| :---: | :---: | :---: | ---: | ---: | ---: | ---: |
| 320 | $\$ 20$ | Ultimate Riches | $\$ 29,164,680$ | $\$ 22,497,060$ | $\$ 6,667,620$ | $5 / 13 / 2019$ |
| 355 | $\$ 5$ | Payday Doubler | $\$ 16,856,935$ | $\$ 12,091,809$ | $\$ 4,765,126$ | $5 / 13 / 2019$ |
| 357 | $\$ 1$ | $5 X$ The Cash | $\$ 5,884,687$ | $\$ 3,519,047$ | $\$ 2,365,640$ | $5 / 13 / 2019$ |
| 354 | $\$ 3$ | Prize Lines | $\$ 7,201,959$ | $\$ 4,801,128$ | $\$ 2,400,831$ | $6 / 10 / 2109$ |
| 360 | $\$ 10$ | $50 X$ The Cash | $\$ 25,241,550$ | $\$ 18,977,933$ | $\$ 6,263,617$ | $6 / 10 / 2109$ |
| 363 | $\$ 5$ | Home Run Riches | $\$ 18,846,290$ | $\$ 13,528,125$ | $\$ 5,318,165$ | $6 / 10 / 2109$ |
| 381 | $\$ 1$ | Double Doubler | $\$ 2,961,430$ | $\$ 1,739,685$ | $\$ 1,221,745$ | $6 / 10 / 2109$ |

4. Home Run Riches Contestant of the Game: The drawing to select the fourth batch of Contestants of the Game was held 6/25/19; 100,007 entries were received. The fifth drawing was held $7 / 23 / 19 ; 86,052$ entries were received.
5. I Love Lucy ${ }^{\text {Tu }}$ second-chance contest: The second-chance contest is now complete: third drawing was held $6 / 18 / 19,53,896$ entries were received; the fourth drawing was held 7/16/19, 44,664 entries were received; Fifth and final drawing was held $8 / 13 / 19,35,193$ entries were received.
6. Skee-Ball®: Nine cash prizes were up for grabs in the Skee-Ball secondchance contest. Each drawing awards $1 \times \$ 1,000,1 \times \$ 5,000$ and $1 \times \$ 7,000$. The first drawing was held on $7 / 30,141,545$ entries were received.
7. Ravens second-chance contest: For the $11^{\text {th }}$ consecutive year, the lottery has partnered with the Baltimore Ravens for two licensed scratch-offs and a second-chance contest for cash and Ravens tickets/prizes. The first drawing was held $7 / 26,76,322$ entries were received. The second drawing was $8 / 13$, 670,006 entries were received.

## ii. Upcoming tasks for this period:

1. August Instant Ticket Launch (8/26/19):
a. \$2-Lucky 3
b. $\$ 5$ - Deal or No Deal ${ }^{\text {TM }}$
c. \$5-Deluxe Crossword
d. $\$ 10$ - The Money Game
e. Soft Launch (8/22): $\$ 10-\$ 100,000$ Crossword $3^{\text {rd }}$ Edition
2. Home Run Riches Contestant of the Game: The sixth and final Contestants of the Game drawing will be held $8 / 27 / 19$. As of $8 / 11,53,592$ entries have been received.
3. Skee-Ball®: The second drawing will be held $8 / 27 / 19$; as of $8 / 11,49,030$ entries have been received.
4. Ravens second-chance contest: The third drawing will be held 9/10/19.
5. Deal or No Deal ${ }^{T M}$ : Players have a second-chance to win cash prizes when they enter non-winning Deal or No Deal scratch-offs into My Lottery Rewards. Three drawings will award the following prizes: 9/24 and 10/29 drawings $1 \times \$ 5,000,1 \times \$ 10,000$ and $1 \times \$ 25,000 ; 11 / 26$ drawing $-1 \times \$ 5,000,1 \times$ $\$ 10,000$ and $1 \times \$ 50,000$.

## b) Draw and Monitor Game Products and Promotions

i. Key accomplishments:

1. Cash4Life Best Day Ever Promotion: Cash4Life is now drawn 7 days a week to raise player awareness, the Best Day Ever promotion launched on 8/1. Through 8/26, players who enter 7 C4L games into My Lottery Rewards, earn 25 entries into a drawing, to be held 8/27/19. 24 players will win $\$ 100$ a day for 30 days ( $\$ 3,000$ prize, $x 24$ ) and one lucky player will receive $\$ 1,000$ a day for 30 days ( $\$ 30,000$ prize x 1 ). As of $8 / 11 / 19,187,550$ entries have been submitted.
2. Monitor Game Promotions, Racetrax $\$ 6$ for $\$ 5$ and Keno Sprinkler: Both promotions are player favorites and staples at the Lottery booth at the Maryland State Fair. Promotions began 8/12 and will continue through 9/8/19.
ii. Upcoming tasks for this period:
3. New Year's Rockin' Eve, Powerball's First Millionaire of 2020 Promotion: From 8/26-10/6/19, players who enter Powerball tickets into My Lottery Rewards and opt-in to the promotion, could be selected as one of five lucky winners who will be sent to participate in this National Powerball promotion.

Winners receive a 4 day/3 night trip for two (winner + guest) to NYC (12/29 $-1 / 1 / 20$ ), where they will attend an exclusive New Year's Eve dinner and party (thrown by Dick Clark Productions) with a VIP view of the ball drop in Times Square. Just after midnight, one lucky winner will be selected to be the First Powerball Millionaire of 2020 - winner will be featured on the Dick Clark New Year's Rockin' Eve broadcast. Drawing will be held 10/7/19.

## 2. Creative Services

## a) Traditional Advertising

i. Key accomplishments:

1. Summer of Fun: The Summer of Fun ad campaign is in its final phase, supporting Hot 5 s and Ravens $\$ 2$ and $\$ 10$ scratch-offs.
2. Ravens: Produced four (4) radio spots and finalized all out-of-home creative materials. Animation continuing on the Heed the Caw television spot. Approved the Ravens 2019 media plan and MARC is in the process of finalizing all buys and media placements.
3. Cash 4 Life: Currently airing radio to support the Best Day Ever promotion.
4. Deal or No Deal: Approved concepts for television and radio spots and all are in production. Also, approved the media plan supporting Deal or No Deal. MARC is finalizing all media buys and placements.
5. Powerball New Year's Eve Promotion: Finalized point-of-sale for the Powerball New Year's Eve promotion.
6. FY20 Planning: Working to finalize FY20 initiatives and a marketing/advertising plan for the year.
7. University Sponsorships: Finalizing the creative for the University of Maryland, Towson University and Morgan State University sponsorships. All sponsorships begin at the end of August or the beginning of September.
8. Washington Redskins: Finalized sponsorship with the Washington Redskins and will utilize most of the assets to support Multi-Match.
ii. Upcoming tasks:
9. Ravens: Finalize all media buys and ad placements. Finish production of the television campaign and all digital assets. Work with the Baltimore Ravens to finish production of all in-stadium sponsorship assets.
10. Deal or No Deal: Finalize all media buys and placements. Finish production of all Deal or No Deal creative assets - television, radio, digital, and out-of-home.
11. Holiday 2019: Begin review of creative materials and media recommendations.
12. Fast Play: Begin planning for the launch of Fast Play with GKV.
13. The Washington Redskins: Work with the Washington Redskins to finalize the creative components for all sponsorship assets.
b) Web, Digital and Social
i. Key accomplishments:
14. Promoted the Ravens scratch-offs and second-chance promotion, Cash4Life 7 days a week drawings, Gold Rush Multiplier family of games, Skee-Ball scratchoff and second-chance promotion, Home Run Riches second-chance promotion and various winners' stories via social media and web assets.
15. Posted to live on social media while at the Skee-Ball live event, including Facebook live video, Instagram live video, Instagram story photos and videos.

## ii. Upcoming tasks:

1. Execute social and digital plans for the Ravens scratch-offs and secondchance promotion.
2. Create social and digital plans for the Deal or No Deal scratch-off and second chance-contest and the Powerball New Year's Eve promotion.
3. Continue to implement emerging social media content tactics (e.g. 360degree images) to increase engagement.

## c) My Lottery Rewards

## i. Key Accomplishments:

1. 49,945 players engaged with My Lottery Rewards during July 2019, down 6.75\% from the previous year.
2. The average number of entries per player during July 2019 increased $2.65 \%$ from the previous year.
3. Skee-Ball was the top performing scratch-off with My Lottery Rewards members, having the highest number of entries and most unique players.
ii. Upcoming Tasks:
4. Work with SGI to implement coupons into the My Lottery Rewards prize wheel.
5. SGI to provide updated versions of birthday, anniversary, and welcome emails.
6. Develop communications plan for prize point conversion process, which will begin on November 30, 2019. As part of the upgraded My Lottery Rewards platform, unused prize points will convert to draw points one year after award.

## d) Research

1. Reviewed Q2 Attitude and Tracking study findings with Ipsos and Lottery marketing team.
2. Received results of 2019 Retailer Satisfaction Study. Findings very positive and consistent with previous years.
3. Assisted SG and Ipsos in the development of screening criteria and discussion guide for upcoming Fast Play focus groups.
